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June 12, 2012

Via ECF Only

Honorable Peter G. Sheridan, U.S.D.J.
United States District Court,
District of New Jersey
Fisher Fed. Bldg. & United States Courthouse
402 East State Street
Trenton, New Jersey 08608

Honorable Douglas E. Arpert, U.S.M.J.
United States District Court,
District of New Jersey
Fisher Fed. Bldg. & United States Courthouse
402 East State Street
Trenton, New Jersey 08608

Re: PPL Energy LLC, et al. v. President Solomon, et al.
Civil Action No: 11-745 (PGS-DEA)

Response to Plaintiffs' Letter Dated June 1, 2012

Dear Judge Sheridan and Judge Arpert,

Please accept this informal letter in lieu of a more formal response to Plaintiffs' June 1, 2012 letter on behalf of the State Defendants. State Defendants assert that Plaintiffs' letter should not be considered a formal, substantive filing.

In their letter, Plaintiffs simplify the PJM Auction process, which in turn leads to a mischaracterization of the auction results in a light most favorable to them. The PJM Auction process is far more complex than the brief summary provided by Plaintiffs. Plaintiffs' simplistic explanation of the Auction and their conclusion that could or should be reached about the auction results and its meaning is frankly unreasonable; but most importantly, it is irrelevant to the motions currently pending before the Court.

Lastly, State Defendants will make – and always have made – every effort to work with Plaintiffs in this matter. We have not heard from Plaintiffs regarding discovery since on or around March 19, 2012, but in the event that Plaintiffs contact us regarding discovery, we will continue working with them.



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Thank you for your attention to this matter.

Respectfully submitted,

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY

By: Brian O. Lipman
Brian O. Lipman
Deputy Attorney General

cc: All Counsel of Record (via ECF)